

Decision \_\_\_\_\_

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider Smart Grid Technologies Pursuant to Federal Legislation and on the Commission's own Motion to Actively Guide Policy in California's Development of a Smart Grid System.

Rulemaking 08-12-009  
(Filed December 18, 2008)

**DECISION GRANTING COMPENSATION TO GREEN POWER INSTITUTE FOR  
SUBSTANTIAL CONTRIBUTION TO DECISION 10-06-047**

|  |  |
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| <b>Intervenor: Green Power Institute (GPI)</b> | <b>For contribution to Decision (D.) 10-06-047</b> |
| <b>Claimed: \$ 27,651.00</b>                   | <b>Awarded: \$27,741.00</b>                        |
| <b>Assigned Commissioner: Michael Picker</b>   | <b>Assigned ALJ: ALJ Division<sup>1</sup></b>      |

**PART I: PROCEDURAL ISSUES**

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| <b>A. Brief description of Decision:</b> | The Decision adopts requirements for smart grid deployment plans pursuant to SB 17 (2009). |
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**B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:**

|   | <b>Intervenor</b> | <b>CPUC Verified</b> |
|---|-------------------|----------------------|
| <b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b> |                   |                      |
| 1. Date of Prehearing Conference (PHC):   | March 27, 2009    | Verified             |
| 2. Other specified date for NOI:  |                   |                      |
| 3. Date NOI filed:  | April 27, 2009    | Verified             |
| 4. Was the NOI timely filed?  |                   | Yes.                 |
| <b>Showing of customer or customer-related status (§ 1802(b)):</b>                |                   |                      |
| 5. Based on ALJ ruling issued in proceeding number:                               | R.08-12-009       | Verified             |
| 6. Date of ALJ ruling:  | May 13, 2009      | Verified             |

<sup>1</sup> This proceeding was originally assigned to Jessica T. Hecht.

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| 7. Based on another CPUC determination (specify):                       |                   |          |
| 8. Has the Intervenor demonstrated customer or customer-related status? |                   | Yes.     |
| <b>Showing of “significant financial hardship” (§ 1802(g)):</b>         |                   |          |
| 9. Based on ALJ ruling issued in proceeding number:                     | R.08-12-009       | Verified |
| 10. Date of ALJ ruling:   | May 13, 2009      | Verified |
| 11. Based on another CPUC determination (specify):                      |                   |          |
| 12. Has the Intervenor demonstrated significant financial hardship?     |                   | Yes.     |
| <b>Timely request for compensation (§ 1804(c)):</b>                     |                   |          |
| 13. Identify Final Decision:  | D.14-12-004       | Verified |
| 14. Date of issuance of Final Order or Decision:                        | December 12, 2014 | Verified |
| 15. File date of compensation request:                                  | January 5, 2015   | Verified |
| 16. Was the request for compensation timely?                            |                   | Yes.     |

## PART II: SUBSTANTIAL CONTRIBUTION

### A. Did the Intervenor substantially contribute to the final decision (*see* § 1802(i), § 1803(a), and D.98-04-059).

| <b>Intervenor’s Claimed Contribution(s)</b>   | <b>Specific References to Intervenor’s Claimed Contribution(s)</b>  | <b>CPUC Discussion</b> |
|---|---|------------------------|
| <b>D.10-06-047, Decision Adopting Requirements for Smart Grid Deployment Plans Pursuant to SB 17</b>  | (Please note that Attachment 2 includes a list of GPI Pleadings relevant to this Claim.)  |                        |
| <b>1. Deployment Plans and Investment Approvals</b><br><br>GPI argued that the smart-grid deployment plans should be used to establish a baseline, but that they should not be used as the basis for the approval of infrastructure investments—the standard reasonableness review process needs to be employed for that purpose. The Decision cites our argument, and adopts our position. | <p>“The arguments of commenters confirm our tentative conclusion that the best uses of the deployment plans is to set a baseline indicating the current deployment of Smart Grid technologies and as a document for guiding future Smart Grid investments. We also conclude that deployment plans are not a substitute for a Commission review of specific infrastructure investments that will take place just prior to the time of deployment.” [D.10-06-047, pgs. 21-22.]</p> <p>“The smart-grid deployment plans should certainly be used to establish a baseline that will be used in monitoring</p> | Yes.                   |

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|  | <p>the development and deployment of these technologies over at least the next couple of decades. In addition, there is no doubt that the plans will be cited by parties making cases for the approval of new projects involving smart-grid technologies and components. It is reasonable for the Commission to consider favorably the fact that a proposed project is consistent with a filed and approved smart-grid deployment plan, as long as the favorable consideration is taken in the proper context. We agree with the Joint Ruling that it would not be reasonable to use the deployment plans to confer automatic approval on proposed projects, given the nature of the plans and their inherent uncertainties. Inclusion in the plans can be cited in an application, but a real-time reasonability analysis should still be conducted in conjunction with any given application under consideration for approval for funding recovery for smart-grid investments.” [GPI Comments on the Joint Ruling, 3/8/10, pg. 2.]</p> |      |
| <p><b>2. Elements Needed in a Smart-Grid Deployment Plan</b></p> <p>GPI argued that the smart-grid deployment plans mandated by SB 17 should be used to establish a baseline against which future smart-grid development can be measured. We also argued in favor of including an analysis of future infrastructure issues in the deployment plans, including renewables integration, energy-storage systems, and electric-vehicle integration. The Decision cites our argument, and endorses our suggestion</p> | <p>“As many parties note, the systematic presentation of a Smart Grid Deployment Plan can enable the Commission to understand and assess the baseline condition of today’s grid even as we plan for the grid of the future. ... Moreover, the flexibility of the adopted structure allows for the ready incorporation of a discussion of infrastructure issues, such as using energy storage technologies as part of a Smart Grid and considering the use of public communications networks to serve the communications needs of the Smart Grid.” [D.10-06-047, pg. 30.]</p> <p>“The smart-grid deployment plans should certainly be used to establish a</p>   | Yes. |

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| <p>that the deployment plans be used to establish a baseline, and to provide a forum for the discussion of infrastructure issues.</p>  | <p>baseline that will be used in monitoring the development and deployment of these technologies over at least the next couple of decades.” [GPI Comments on the Joint Ruling, 3/8/10, pg. 2.]</p> <p>“In addition, energy storage systems of a variety of kinds, including batteries in plug-in vehicles, have the potential to further modulate unscheduled grid fluctuations, as well as smooth the diurnal load profile. Careful planning from the beginning will be required in order to ensure that the smart grid of the future achieves its full potential with respect to promoting clean energy use in California.” [GPI Comments on the Joint Ruling, 3/8/10, pg. 3.]</p> <p>“The GPI believes that while energy-storage systems may be relevant to several different standing proceedings at the Commission, they should certainly be considered to be components of the smart grid in this proceeding. Storage facilities strategically located on the grid could provide the same kinds of support services to grid operators that are described above for vehicle charging stations in terms of modulating real-time fluctuations on the grid, as well as in smoothing out the diurnal demand profile.” [GPI Comments on the Joint Ruling, 3/8/10, pg. 5.]</p> |             |
| <p><b>3. Vision Statement</b></p> <p>GPI argued in favor of including, in the vision statement section of the deployment plans, a consideration of integrating increasing quantities of renewables in the integrated electric grid, and facilitating the use of electrical energy in the transportation section. The</p> | <p>“GPI’s views concerning the scope of the vision statement are consistent with the Commission’s views. ... These points are well taken, and we will keep these recommendations in mind as we review Smart Grid Deployment Plans and specific investments.” [D.10-06-047, pg. 115.]</p> <p>“Our suggested additions are both for the vision statement portion of the utility smart-grid deployment plans. We would</p>   | <p>Yes.</p> |

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| Decision endorses our recommendations.  | like the vision statements to explicitly include facilitating the development of renewables of all kinds in California, and not only facilitating the development of the electric-vehicle market in California, but doing so in such a way as to marshal the unique characteristics of this potentially very large market in order to use it to improve grid operations and supply carbon-free ancillary services.”<br>[Comments on the PD, 6/10/10, pg. 1.]   |      |
| <b>4. Elements in the Baseline</b><br>GPI argued that one of the most important uses for the SB 17 smart-grid deployment plans is to establish a baseline of the current state-of-the-grid, which will be used to measure future smart-grid development. The Decision cites our argument, and endorses our suggestion.  | <p>“The Commission agrees that a baseline should be undertaken by the utilities and included in their deployment plan filings, due by July 1, 2011.” [D.10-06-047, pg. 40.]</p> <p>“The smart-grid deployment plans should certainly be used to establish a baseline that will be used in monitoring the development and deployment of these technologies over at least the next couple of decades.” [GPI Comments on the Joint Ruling, 3/8/10, pg. 2.]</p>  | Yes. |
| <b>5. Smart Grid Benefits</b><br>The GPI’s focus in the smart grid proceeding was on using smart-grid deployment to further California’s achievement of its greenhouse-gas reduction and RPS policy goals. The Decision includes facilitating compliance with state policy goals as one of the three key categories of benefits that smart grids can provide. | <p>“Logically, the benefits that arise from the deployment of the Smart Grid fall into several categories: ... and 3) benefits that arise from the fact that the deployment of the Smart Grid facilitates compliance with California energy policies.” [D.10-06-047, pg. 69.]</p> <p>“The parties see three general types of benefits. Parties view achievement of policy requirements as one of the benefits that we would expect from a Smart Grid.” [D.10-06-047, pg. 74.]</p> <p>“With respect to renewables, one of the primary uses of the smart-grid deployment plans should be to consider the kinds of technologies that will facilitate the integration of renewables,</p> | Yes. |

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|  | including intermittent renewables, into the grid. ... In addition, we expect the utilities to consider how to integrate electric vehicles into the grid of the future in their smart-grid deployment plans, particularly in the context of this being a prime opportunity for bringing renewables to the transportation sector. We certainly believe that one of the important standards for reviewing the smart-grid deployment plans should be how well they facilitate the achievement of the state's goals with respect to renewables." [Comments on the Joint Ruling, 3/8/10, pgs. 2-3.] |  |
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**B. Duplication of Effort (§ 1801.3(f) and § 1802.5):**

|   | <b>Intervenor's Assertion</b> | <b>CPUC Discussion</b> |
|---|-------------------------------|------------------------|
| <b>a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?</b> <sup>2</sup>   | Yes                           | Yes.                   |
| <b>b. Were there other parties to the proceeding with positions similar to yours?</b>   | Yes                           | Yes.                   |
| <b>c. If so, provide name of other parties: ORA, TURN, EDF, California Energy Storage Alliance, CEERT, Greenlining Institute, CFC, Google, AReM, and the three large electric IOUs.</b>   |                               | Yes.                   |
| <b>d. Intervenor's claim of non-duplication:</b> This proceeding covers a wide variety of topics related to the mandated smart-grid deployment plans. The Green Power Institute has focused its participation in our primary areas of interest, the use of the smart grid for providing integration services to accommodate renewable energy, and the use of the smart grid to facilitate the provision of carbon-free grid-operating services from non-fossil resources. Green Power coordinated its efforts in this proceeding with other parties in order to avoid duplication of effort, and added significantly to the outcome of the Commission's deliberations. Some amount of duplication has occurred in this proceeding on all sides of contentious issues, but Green Power avoided duplication to the extent |                               | Yes.                   |

<sup>2</sup> The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

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| possible, and tried to minimize it where it was unavoidable. |  |
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### PART III: REASONABLENESS OF REQUESTED COMPENSATION

#### A. General Claim of Reasonableness (§ 1801 and § 1806):

| a. Intervenor's claim of cost reasonableness:  | CPUC Discussion  |
|--|------------------|
| <p>The GPI is providing, in Attachment 2, a listing of all of the pleadings we provided in this Proceeding, R.08-12-009, that are relevant to matters covered by this Claim, and a detailed breakdown of GPI staff time spent for work performed that was directly related to our substantial contributions to Decision D.10-06-047.</p> <p>The hours claimed herein in support of Decision D. 10-06-047 are reasonable given the scope of the Proceeding, and the strong participation by the GPI. GPI staff maintained detailed contemporaneous time records indicating the number of hours devoted to the matters settled by these Decisions in this case. In preparing Attachment 2, Dr. Morris reviewed all of the recorded hours devoted to this proceeding, and included only those that were reasonable and contributory to the underlying tasks. As a result, the GPI submits that all of the hours included in the attachment are reasonable, and should be compensated in full.</p> <p>Dr. Morris is a renewable energy analyst and consultant with more than thirty years of diversified experience and accomplishments in the energy and environmental fields. He is a nationally recognized expert on biomass and renewable energy, climate change and greenhouse-gas emissions analysis, integrated resources planning, and analysis of the environmental impacts of electric power generation. Dr. Morris holds a BA in Natural Science from the University of Pennsylvania, an MSc in Biochemistry from the University of Toronto, and a PhD in Energy and Resources from the University of California, Berkeley.</p> <p>Dr. Morris has been actively involved in electric utility restructuring in California throughout the past two decades. He served as editor and facilitator for the Renewables Working Group to the California Public Utilities Commission in 1996 during the original restructuring effort, consultant to the CEC Renewables Program Committee, consultant to the Governor's Office of Planning and Research on renewable energy policy during the energy crisis years, and has provided expert testimony in a variety of regulatory and legislative proceedings, as well as in civil litigation.</p> <p>Decision D.98-04-059 states, on pgs. 33-34, "Participation must be productive in the sense that the costs of participation should bear a reasonable relationship to the benefits realized through such participation. ... At a minimum, when the benefits are intangible, the customer should present information sufficient to justify a Commission finding that the overall benefits of a customer's participation will exceed a customer's costs." This proceeding was concerned with preparing the electric utility industry for the adoption of smart grids. Smart grids have the potential to provide integration services and other grid operating</p> | <p>Accepted.</p> |

|  |  |     |  |     |                     |     |                             |     |                        |     |           |
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| services that are completely free of carbon-emissions. If successful, the efforts that have begun in this proceeding have the potential to save ratepayers millions of dollars annually in terms of reduced costs of grid operations, and reduced pollution from fossil-fuel burning power plants. These cost reductions overwhelm the cost of our participation in this proceeding.   |  |     |  |     |                     |     |                             |     |                        |     |           |
| <b>b. Reasonableness of hours claimed:</b><br><br>The GPI made Significant Contributions to Decision D.10-06-047 by participating in working groups, and providing a series of Commission filings on the various topics that were under consideration in the Proceeding, and are covered by this Claim. Attachment 2 provides a detailed breakdown of the hours that were expended in making our Contributions. The hourly rates and costs claimed are reasonable and consistent with awards to other intervenors with comparable experience and expertise. The Commission should grant the GPI's claim in its entirety. | Accepted.                                    |     |  |     |                     |     |                             |     |                        |     |           |
| <b>c. Allocation of hours by issue:</b><br><br><table> <tr> <td>1. Deployment Plans and Investment Approvals</td><td>25%</td></tr> <tr> <td>2. Elements Needed in a Smart-Grid Deployment Plan</td><td>35%</td></tr> <tr> <td>3. Vision Statement</td><td>20%</td></tr> <tr> <td>4. Elements in the Baseline</td><td>10%</td></tr> <tr> <td>5. Smart Grid Benefits</td><td>10%</td></tr> </table>  | 1. Deployment Plans and Investment Approvals | 25% | 2. Elements Needed in a Smart-Grid Deployment Plan | 35% | 3. Vision Statement | 20% | 4. Elements in the Baseline | 10% | 5. Smart Grid Benefits | 10% | Accepted. |
| 1. Deployment Plans and Investment Approvals   | 25%  |     |  |     |                     |     |                             |     |                        |     |           |
| 2. Elements Needed in a Smart-Grid Deployment Plan   | 35%  |     |  |     |                     |     |                             |     |                        |     |           |
| 3. Vision Statement  | 20%  |     |  |     |                     |     |                             |     |                        |     |           |
| 4. Elements in the Baseline  | 10%  |     |  |     |                     |     |                             |     |                        |     |           |
| 5. Smart Grid Benefits   | 10%  |     |  |     |                     |     |                             |     |                        |     |           |

**B. Specific Claim:\***

| CLAIMED                                      |      |       |         |                 |             | CPUC AWARD            |         |             |
|--|------|-------|---------|-----------------|-------------|-----------------------|---------|-------------|
| ATTORNEY, EXPERT, AND ADVOCATE FEES          |      |       |         |                 |             |                       |         |             |
| Item   | Year | Hours | Rate \$ | Basis for Rate* | Total \$    | Hours                 | Rate \$ | Total \$    |
| G. Morris                                    | 2009 | 55.50 | \$240   | D.09-12-041     | \$13,320.00 | 55.5                  | \$240   | \$13,320.00 |
| G. Morris                                    | 2010 | 53.50 | \$240   | D.09-12-041     | \$12,840.00 | 53.5                  | \$240   | \$12,840.00 |
| Subtotal: \$26,160.00                        |      |       |         |                 |             | Subtotal: \$26,160.00 |         |             |
|  |      |       |         |                 |             |                       |         |             |
| INTERVENOR COMPENSATION CLAIM PREPARATION ** |      |       |         |                 |             |                       |         |             |
| Item   | Year | Hours | Rate \$ | Basis for Rate* | Total \$    | Hours                 | Rate    | Total \$    |



|  |         |   |       |                 |            |                          |                       |            |
|--|---------|---|-------|-----------------|------------|--------------------------|-----------------------|------------|
| G. Morris  | 2014    | 12  | \$120 | ½ rate for 2010 | \$1,440.00 | 12                       | \$127.50 <sup>3</sup> | \$1,530.00 |
| Subtotal: \$1,440.00   |         |   |       |                 |            | Subtotal: \$1,530.00     |                       |            |
| COSTS  |         |   |       |                 |            |                          |                       |            |
| #  | Item    | Detail  |       |                 | Amount     | Amount                   |                       |            |
|  | Postage | Postage for serving documents (see Attachment 2 for detail) |       |                 | 51         | \$51                     |                       |            |
| Subtotal: \$51.00  |         |   |       |                 |            | Subtotal: \$51.00        |                       |            |
| TOTAL REQUEST: \$27,651.00   |         |   |       |                 |            | TOTAL AWARD: \$27,741.00 |                       |            |
| <p>**We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer’s normal hourly rate</p> |         |   |       |                 |            |                          |                       |            |

**D. CPUC Disallowances and Adjustments:**

| Item                           | Reason  |
|--------------------------------|---|
| Greg Morris' 2014 Hourly Rate. | In order to accurately adopt a 2014 hourly rate for Morris, we apply the 2.58% Cost-of-Living-Adjustment (COLA) <sup>4</sup> to Morris' last approved hourly rate. Decision 15-030-034 adopted the rate of \$250 per hour for Morris for 2013. Applying the 2.58% COLA to this results in the hourly rate of \$255 for 2014. Half of this hourly rate (\$127.50) is accurately reflected in the "Intervenor Compensation Claim Preparation" portion of the request above. |

**PART IV: OPPOSITIONS AND COMMENTS**

|  |      |
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| <b>A. Opposition: Did any party oppose the Claim?</b>  | No.  |
| <b>B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?</b> | Yes. |

**FINDINGS OF FACT**<sup>3</sup> See CPUC Disallowances and Adjustments.<sup>4</sup> See Resolution ALJ-303.

1. GPI has made a substantial contribution to Decision 10-06-047.
2. The requested hourly rates for GPI's representatives are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$27,741.00.

**CONCLUSION OF LAW**

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

**ORDER**

1. Green Power Institute is awarded \$27,741.00.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall pay Green Power Institute the total award. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning March 21, 2015, the 75th day after the filing of Green Power Institutes request, and continuing until full payment is made.
3. The comment period for today's decision is waived.

This decision is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

## APPENDIX

## Compensation Decision Summary Information

|                                  |  |                           |     |
|----------------------------------|--|---------------------------|-----|
| <b>Compensation Decision:</b>    |  | <b>Modifies Decision?</b> | N/A |
| <b>Contribution Decision(s):</b> | D1006047   |                           |     |
| <b>Proceeding(s):</b>            | R0812009   |                           |     |
| <b>Author:</b>                   | ALJ Division   |                           |     |
| <b>Payer(s):</b>                 | Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company |                           |     |

## Intervenor Information

| <b>Intervenor</b>     | <b>Claim Date</b> | <b>Amount Requested</b> | <b>Amount Awarded</b> | <b>Multiplier?</b> | <b>Reason Change/Disallowance</b>  |
|-----------------------|-------------------|-------------------------|-----------------------|--------------------|------------------------------------|
| Green Power Institute | 1/5/2015          | \$27,651.00             | 27,741.00             | N/A                | Application of Resolution ALJ-303. |

## Advocate Information

| <b>First Name</b> | <b>Last Name</b> | <b>Type</b> | <b>Intervenor</b>     | <b>Hourly Fee Requested</b> | <b>Year Hourly Fee Requested</b> | <b>Hourly Fee Adopted</b> |
|-------------------|------------------|-------------|-----------------------|-----------------------------|----------------------------------|---------------------------|
| Gregg             | Morris           | Expert      | Green Power Institute | \$240                       | 2009                             | \$240                     |
| Gregg             | Morris           | Expert      | Green Power Institute | \$240                       | 2010                             | \$240                     |
| Gregg             | Morris           | Expert      | Green Power Institute | \$240/\$120                 | 2014                             | \$255/\$127.50            |

(END OF APPENDIX)